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Istook Introduces Key Bill to Help Small Business

Washington, D.C. -- Rep. Ernest Istook (R-Okla.) introduced a bill Friday, H.R. 3403, to free many small businesses from costly oversight by the National Labor Relations Board (NLRB). NLRB jurisdiction is based on a business' annual sales volume, but the dollar amounts have not been adjusted for inflation in over 45 years. Because of that, NLRB's size and caseload have become swollen; the agency now employs almost a thousand lawyers, plus support staff, to oversee labor disputes.

"The original law was intended only to impact significant labor disputes in large companies; today even businesses with only one employee are being impacted—and it's costing these small businesses a bundle," said Istook. **"Because most of the thresholds haven't been adjusted since 1959, the NLRB's jurisdiction expands to include smaller and smaller businesses each year. The NLRB has an annual budget of \$250 million of taxpayers' money, yet almost a third of that goes to handle disputes that involve less than 50 workers."**

"There's an old adage that says, 'Don't make a federal case out of everything.' That's exactly what this law fixes. We're making a federal case out of extremely minor disputes between workers and their bosses, and it's time to stop. When the NLRB gets involved, a business is forced to hire a lawyer who specializes in dealing with that bureaucracy, usually at a cost of several hundred dollars per hour of legal fees," Istook said.

The NLRB has jurisdiction to settle labor disputes between unions and employers based on the amount of a business' total gross receipts. The thresholds for retail and non-retail businesses were set by Congress in 1959 and since then have never been adjusted for inflation. Istook says that the NLRB is overburdened by small cases it was never intended to handle. Last year, 31 percent of cases reviewed by the NLRB involved businesses with fewer than 50 employees.

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